

FILED IN THE  
U.S. DISTRICT COURT  
EASTERN DISTRICT OF WASHINGTON

**May 23, 2024**

SEAN F. MCAVOY, CLERK

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF WASHINGTON

ERIC BLOOMQUIST, individually and on  
behalf of all others similarly situated, and

JUN DAM, individually

Plaintiff,

v.

PERKINS COIE, LLP, a Washington  
limited liability partnership; PERKINS  
COIE I, P.C., a Washington corporation  
registered in California; PERKINS COIE  
CALIFORNIA, P.C., a California  
corporation; PERKINS COIE  
CALIFORNIA II, P.C., a California  
corporation; LOWELL NESS,  
individually.

Defendants.

No. 2:20-CV-00464-SAB

**ORDER GRANTING FINAL  
APPROVAL OF CLASS ACTION  
SETTLEMENT**

A motion hearing was held in the above-mentioned matter on May 21, 2024  
in Yakima, Washington. Plaintiff was represented by Timothy G. Blood and  
Robert J. Cadranell, II. Robert J. Cadranell, II appeared by videoconference.

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1 Defendant Waldron was represented by Pamela E. Egan who appeared by  
2 videoconference. All other Defendants were represented by Ralph E. Cromwell, Jr.  
3 Pending before the Court was Plaintiff's Notice of Motion and Motion for Final  
4 Approval of Class Action Settlement and Request for Attorney's Fees, Expenses  
5 and Service Award; Memorandum in Support Thereof, ECF No. 68.

6 This class action sought monetary relief from Defendants' alleged  
7 misappropriation of money that Defendants agreed to hold in escrow and distribute  
8 related an initial token offering in the cryptocurrency market. In this case,  
9 GigaWatt Pte., Ltd., a Singapore based entity, and its affiliate Giga Watt, Inc., a  
10 Washington corporation headquartered in Wenatchee, Washington, proposed to  
11 create a cryptocurrency mining facility in the Eastern District of Washington. To  
12 finance this project, the Giga Watt entities solicited investors, including  
13 cryptocurrency miners, to prepurchase "Tokens" that represented the right to  
14 access and use 1 watt of power and related infrastructure to conduct  
15 cryptocurrency mining operations. In time, the Giga Watt Project failed and  
16 Plaintiff alleges breaches of Fiduciary Duty, Express or Implied Contract, violation  
17 of Washington State's Consumer Protection Act, and violation of Washington  
18 State's Escrow Agen Registration Act. Since the Amended Complaint, the parties  
19 have come to a Stipulated Settlement, ECF No. 61-4, and on February 2, 2024, this  
20 Court granted preliminary approval of this agreement.

### 21 **Final Approval of Class Action**

22 The Stipulated Settlement is fair, reasonable, and adequate, and is therefore  
23 approved.

24 "The claims, issues, or defenses of a certified class – or a class proposed to  
25 be certified for purposes of settlement – may be settled ... only with the court's  
26 approval." Fed. R. Civ. P. 23(e). A district court may approve a settlement  
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1 agreement “after a hearing and only on finding that it is fair, reasonable, and  
2 adequate ....” Fed. R. Civ. P. 23(e)(2).

3 In making this decision, Rule 23(e)(2) states that district courts must  
4 consider whether: (1) the class representatives and class counsel have adequately  
5 represented the class; (2) the proposal was negotiated at arm’s length; (3) the relief  
6 provided for the class is adequate, taking into account: the costs, risks, and delay of  
7 trial and appeal; the effectiveness of any proposed method of distributing relief to  
8 the class, including the method of processing class-member claims; the terms of  
9 any proposed award of attorney’s fees, including timing of payment; and any  
10 agreement required to be identified under Rule 23(e)(3), and; (4) the proposal  
11 treats class members equitably relative to each other. Fed. R. Civ. P. 23(e)(2).

12 Rule 23(e) of the Federal Rules of Civil Procedure largely overlaps with the  
13 factors the Ninth Circuit has long considered for settlement approval: (1) “the  
14 strength of the plaintiff’s case; (2) the risk, expense, complexity, and likely  
15 duration of further litigation; (3) the risk of maintaining class action status  
16 throughout the trial; (4) the amount offered in settlement; (5) the extent of  
17 discovery completed and the stage of the proceedings; (6) the experience and  
18 views of counsel; (7) the presence of a governmental participant; and (8) the  
19 reaction of the class members to the proposed settlement.” *In re Bluetooth*  
20 *Headseat Prods. Liab. Litig.*, 654 F.3d 935, 946 (9th Cir. 2011).

21 The Stipulated Settlement represents the class, was negotiated at ‘arm’s  
22 length’, provides adequate costs, risks, dispersal of claims, attorneys’ fees, and  
23 treats class member equitably relative to each other. Furthermore, the Stipulated  
24 Settlement considers the strength of Plaintiff’s case, the overall costs of litigation,  
25 the risk of maintaining the class through trial, the amount offered to settle, the  
26 extent of discovery completed, the experience and views of counsel, and the  
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**ORDER GRANTING FINAL APPROVAL OF CLASS ACTION  
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1 reaction of the class members to the proposed settlement. Therefore, the Stipulated  
2 Settlement at ECF No. 61-4 is approved.

### 3 **Attorneys' Fees, Costs, and Service Award**

4 In common fund settlements like this one, the Ninth Circuit approves the  
5 "percentage of recovery" method. *In re Hyundai & Kia Fuel Econ. Litig.*, 926  
6 F.3d 539, 570 (9th Cir. 2019). In the Ninth Circuit, 25 percent of the fund is the  
7 'benchmark' award that should be granted in common fund cases. *Mexican*  
8 *Workers v. Ariz. Citrus Growers*, 904 F.2d 1301, 1311 (9th Cir. 1990). In  
9 determining whether the percentage requested is fair and reasonable in a common  
10 fund case, courts may consider a range of factors, including: (1) the results  
11 achieved; (2) the risk of litigation; (3) the skill required; (4) the quality of the  
12 work; and (5) the contingent nature of the fee and the financial burden. *Vizcaino v.*  
13 *Microsoft Corp.*, 290 F.3d 1043, 1048-50 (9th Cir. 2002).

14 In general, when assessing attorneys' fees in the Ninth Circuit, district courts  
15 must calculate awards for attorneys' fees using the lodestar method. The lodestar is  
16 calculated by multiplying the number of hours the prevailing party reasonable  
17 expended on the litigation by a reasonable hourly rate. *Camacho v. Bridgeport*  
18 *Fin., Inc.*, 523 F.3d 973, 978 (9th Cir. 2008). In common fund cases, the lodestar  
19 method "provides a check on the reasonableness of the percentage award." *See*  
20 *Vizcaino*, 290 F.3d at 1050. When conducting this lodestar cross-check, courts  
21 compare the requested fee to class counsel's lodestar, and courts regularly approve  
22 fee awards that are several times class counsel's lodestar. *Id.* at 1051.

23 When considering the factors in *Vizcaino* and the Ninth Circuit's lodestar  
24 cross-check, the requested benchmark fee of 25% of the Common Fund is fair and  
25 reasonable. Therefore, the Court approves counsel's benchmark fee of 25% of the  
26 Common Fund.

27  
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1 In assessing the reasonableness of the reimbursement request, the Court is  
2 “reminded that it is generally not the practice of an attorney to bill a client for  
3 every expense incurred in connection with the litigation in question,” and “[t]he  
4 attorney is expected to absorb some of the cost of doing business as an attorney...”  
5 *In re Media Vision Tech. Sec. Litig.*, 913 F.Supp. 1362, 1366 (N.D. Cal. 1996).

6 Counsel’s request of reimbursing \$9,760.65 is fair and reasonable. All these  
7 costs were necessary to litigate this action and were incurred for the benefit of the  
8 Class. Therefore, Plaintiff’s counsel shall be awarded \$9,760.65.

9 Incentive awards are common in class action cases. *Rodriguez v. W. Publ’g*  
10 *Corp.*, 563 F.3d 948, 958 (9th Cir. 2009). Service awards “compensate class  
11 representatives for work done on behalf of the class, to make up for financial or  
12 reputational risk undertaken in bringing the action, and, sometimes, to recognize  
13 their willingness to act as a private attorney general.” *Id.* at 958-59.

14 Class Representative Eric Blomquist shall be awarded a service award of  
15 \$5,000. Class Representative Blomquist devoted time and effort to this case,  
16 assisted counsel, reviewed the Stipulated Settlement, and actively participated in  
17 this litigation and settlement discussions. Furthermore, he represented the Class.  
18 Therefore, \$5,000 shall be awarded to Class Representative Eric Blomquist.

19 Accordingly, **IT IS HEREBY ORDERED:**

20 1. Plaintiff’s Notice of Motion and Motion for Final Approval of Class  
21 Action Settlement and Request for Attorney’s Fees, Expenses and Service Award;  
22 Memorandum in Support Thereof, ECF No. 68, is **GRANTED**.

23 2. Finding that the fairness factors favor settlement, the Stipulated  
24 Settlement found at ECF No. 61-4 is **APPROVED**.

25 3. The notice afforded to Class Members is adequate and sufficient to  
26 inform Class Member of their rights.

27  
28 **ORDER GRANTING FINAL APPROVAL OF CLASS ACTION  
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1 4. Defendants **shall** pay 25% of the \$4.5 million Common Fund to  
2 Plaintiff's class counsel for fair and reasonable attorneys' fees.

3 5. Defendants **shall** pay Plaintiff's class counsel \$9,760.65 for  
4 reasonable reimbursement expenses.

5 6. Representative Eric Blomquist **shall** receive \$5,000 from the  
6 Common Fund as a service award for work done on behalf of the Class.

7 **IT IS SO ORDERED.** The Clerk of the Court is hereby directed to file this  
8 Order, provide copies to counsel, and **close the file**.

9 **DATED** this 23rd day of May 2024.



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A handwritten signature in blue ink, reading "Stanley A. Bastian", is written over a horizontal line.

15 Stanley A. Bastian  
16 Chief United States District Judge  
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**ORDER GRANTING FINAL APPROVAL OF CLASS ACTION  
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